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Cyndie Eby
Executive Director-
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USWEST

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

EX PARTE PRESENTATION

August 23, 1995

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, NW, Room 222, SC-1170
Washington, DC 20554

RE: CC Docket No. 95-72 -- End User Common Line Charge

Dear Mr. Caton:

Attached hereto is information provided today to Ms. Lisa Gelb, Policy and Program Planning Division, concerning the above-referenced proceeding.

In accordance with Commission Rule 1.1206(a)(2), a copy of the letter with attachments is being served upon you for inclusion in the public record.

Acknowledgment and date of receipt of this submission are requested. A duplicate letter is attached for this purpose.

Please contact me if you have questions.

Sincerely,

Cyndie Eby

Attachments

cc: Ms. Lisa Gelb

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August 23, 1995

Ms. Lisa Gelb
Policy & Program Planning Division
Federal Communications Commission
1919 M Street, NW, Room 544
Washington, DC 20554

RE: CC Docket No. 95-72 - End User Common Line Charges

Dear Ms. Gelb:

Attached is additional information relative to the U S WEST Communications, Inc. (USWC) proposed cost recovery method which was filed in the above-referenced docket. The attached material provides additional detail regarding the breakdown of non traffic sensitive costs.

Please call if you have additional questions.

Sincerely,

Cyndie Eby

Attachments

Digital Switched Service versus ISDN Arrangements

Both the Advanced Digital Switched Services (DSS) arrangement and the ISDN Primary Rate Service arrangement terminate in a Digital Line and Trunk Unit (DLTU) with line cards. The DLTU fits into a switch module which is different for DSS than for ISDN. Line card and related DLTU costs are higher for ISDN than for a DSS arrangement. One difference, for example, is that the ISDN switch module allows for termination of the D channel signaling which is not available with DSS.

A Basic Digital Switched Service arrangement does not terminate in a DLTU and switch module but it terminates on the "line" side into a line unit. There is no line card associated with this "line" side type termination on a 5ESS switch. Therefore, there is no line card cost with a DSS Basic termination. These are however, more costly terminations overall because they must go through a D4 channel bank for multiplexing before terminating into the switch.

Also, our analog PBX trunks do not have a line card since they also terminate on the "line" side and not in a DLTU.

Finally, an ISDN Basic Rate line terminates in an Integrated Service Line Unit (ISLU) in an ISDN switch module. There is a line card associated with this termination.

Cost Breakdown Line/Loop versus Central Office Termination

The costs used in the analysis were Long Run Incremental Costs (LRIC) developed for the pricing of U S WEST services. These studies do not separate costs between inter and intra state jurisdictions.

Attached is the breakdown of costs associated with the "line" versus the "termination". The line includes costs associated with the loop, drop, and the costs inside the central office up to the main distributing frame. For T1 services this includes the costs of the loop, drop, the high frequency frame and everything up to the digital cross connection panel (DSX-1). The termination costs include the line card if appropriate and that part of the switch module associated with terminating the access facilities, e.g. the time slots associated with the line cards. The costs for the line card alone are not separated in the studies. There are NTS-COE costs that cover the line card along with the time slots and other costs associated with terminating lines at

the switch. The only costs included here are those which are dedicated to an access line facility and are not traffic sensitive. We are not able to break out the line card from the other elements that are part of terminating the access line. This could require extensive reprogramming of the cost models.

Breakdown of NTS Costs

	Average NTS Line Cost	Average NTS Term. Cost
Single Channel Services	89%	11%
Multi-Channel Services	45%	55%
ISDN BRS	67%	33%

Dial Equipment Minute (DEM) Factor

The U S WEST interstate DEM factor for separation of costs is 17.7149. This factor is filed on the 1994 ARMIS report 43-04 (line 12-13). The DEM factor is used for allocation of switching costs and the costs provided for the multi-channel services are non-traffic sensitive costs (NTS). The NTS costs are allocated (per FCC Rule 36.154 c) based on the Subscriber Plant Factor (SPF) of 25%.

NON-TRAFFIC SENSITIVE COST BREAKDOWN
VARIOUS ACCESS ARRANGEMENTS

ACCESS ARRANGEMENT	NON-TRAFFIC SENSITIVE (NTS) COSTS
Single Line Residence (1FR) Single Line Business (1FB) PAL	•Loop 2 Wire •Drop •Main Distributing Frame •Line Side Switch Connection
Centrex Station Line	•Loop 2 Wire •Drop •Main Distributing Frame •Line Side Switch Connection
SwitchNet 56 Line	•Loop 4 Wire •Drop •Main Distributing Frame •Digital Channel Interface •Line Side Switch Connection
PBX Trunk	•Loop 2 Wire •Drop •Main Distributing Frame •Line Side Switch Connection
ISDN Basic Rate Service	•Loop 2 Wire •Drop •Main Distributing Frame •ISDN Line Card •Integrated Services Switch Connection(ISLU)
Digital Switched Services - Advanced	•T-1 Loop •High Frequencey Distribution Frame •Digital Connection Panel •Line Card •Digital Facility Switch Connection (DLTU)
Digital Switched Services - Basic	•T-1 Loop •High Frequencey Distribution Frame •Digital Connection Panel •D4/D5 Multiplexor •Main Distribution Frame •Line Side Switch Connection
ISDN Primary Rate Service	•T-1 Loop •High Frequencey Distribution Frame •Digital Connection Panel •ISDN Line Card •Digital Facility Switch Connection (DLTU)